

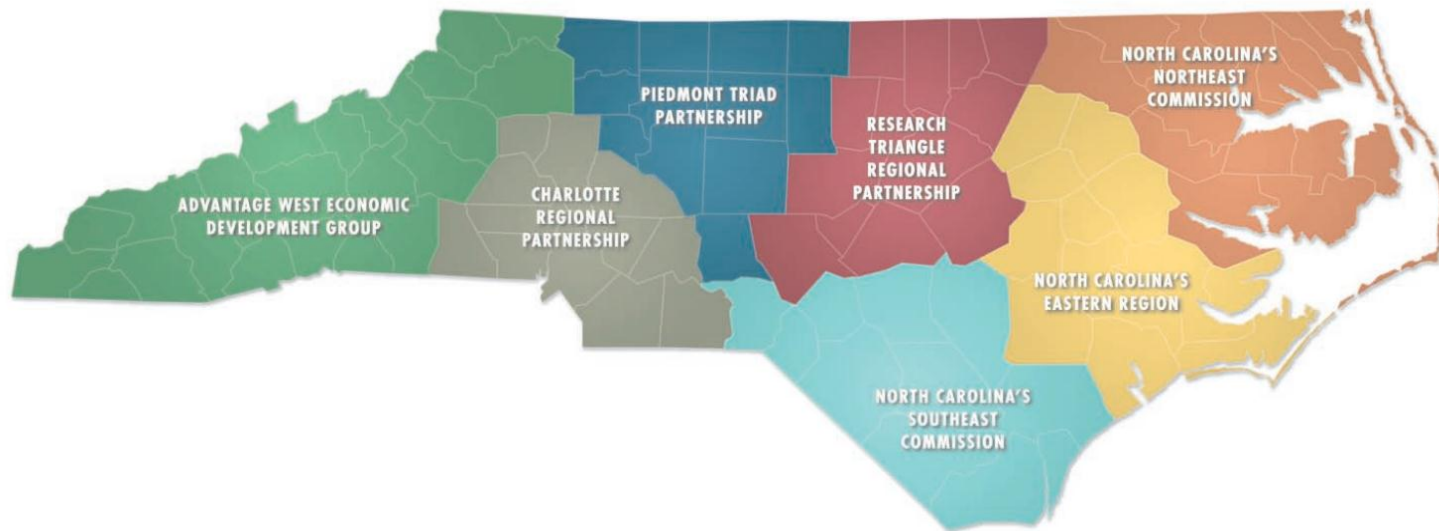
# N.C.'S REGIONAL ECONOMIC DEVELOPMENT PARTNERSHIPS

FEB. 20, 2013

JT. N.E.R. PRESENTATION

# NC's economy: regional by nature

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- Economies are naturally regional, and they vary
  - ▣ Commercial markets
  - ▣ Employment centers and industry clusters
  - ▣ Laborsheds (labor pools, commuting patterns)
  - ▣ Transportation networks (roads, rail, airports)

# History of the partnerships

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- The three central, more urban regional partnerships were created as *private nonprofit organizations*:
  - ▣ **Research Triangle**, 1990 (later grew to 13 counties)
  - ▣ **Charlotte region**, 1990 (later grew to 12 counties)
  - ▣ **Piedmont Triad**, 1991 (later grew to 12 counties)
- In 1993, a bipartisan initiative created the **East Region**, a *municipality*, to promote GTP area, and 13 counties joined
- To boost rural and small-town areas, in 1994 the legislature added counties to the original three urban partnerships and created three *state regional commissions* at N.C.'s corners:
  - ▣ **Southeast** (11 counties)
  - ▣ **Northeast** (16 counties)
  - ▣ **AdvantageWest** (23 counties)

# Partnerships' mission and services

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- Diverse marketing efforts to businesses and consultants
  - ▣ Trade shows and missions
  - ▣ Prospect visits and tours
  - ▣ Web sites, social media
  - ▣ Other promotional material
- Program innovations (certified sites, industry clusters)
- Product development and marketing
- Workforce assessment and job training
- Coordination with N.C. Commerce Dept., local officials, community colleges, and other colleges and universities
- Each region tailors our efforts to meet our unique needs

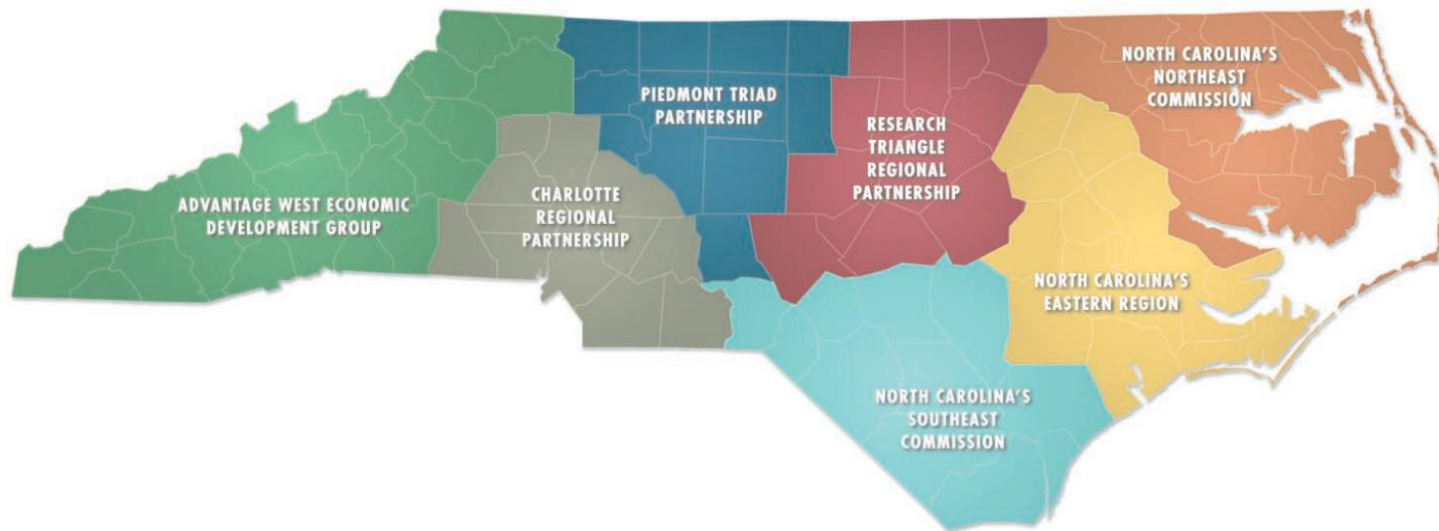
# Our private support and high ROI

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- The regions are effective public-private partnerships
- We are driven by business people in our communities
- The partnerships use our state funding to leverage voluntary non-state contributions from other sources that appreciate the value they get from our state-supported work, including:
  - ▣ **Private companies**
  - ▣ **Private foundations**
  - ▣ **Participating counties**
  - ▣ **Federal agencies** (Defense, USDA, EDA, Labor, ARC)
- **Our ROI is high.** In fact, for every dollar in state funds, we secure \$2.37 in non-state support to boost N.C.'s economy

# Most counties depend on state aid

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- Most of NC's counties are outside the state's urban cores
- Their regions rely more heavily on state appropriations
- Without state support, they could not survive on their own
- Without their regions' help, most NC counties would have no economic-development research or marketing

# Transparent & accountable to you

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- By law, we all provide annual activity reports to:
  - ▣ N.C. General Assembly
  - ▣ Jt. Legislative Economic Development Oversight Cmte
  - ▣ Jt. Legislative Commission on Governmental Operations
  - ▣ NCGA Fiscal Research Division
  - ▣ N.C. Department of Commerce
  - ▣ N.C. Office of State Budget and Management
- In addition, we voluntarily compile and provide the following unified annual activity report...

# Partnership activity in CY 2012

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<b>PARTNERSHIP REGION</b>	<b>Trade Shows &amp; Outreach Missions</b>	<b>States/Nations Visited</b>	<b>Direct Business Contacts Made</b>	<b>New Projects</b>
<b>AdvantageWest</b>	14	6/0	159	60
<b>Charlotte Region</b>	36	17/6	410	72
<b>Eastern Region</b>	21	11/1	236	39
<b>Northeast Region</b>	20	12/0	229	14
<b>Southeast Region</b>	14	9/0	122	86
<b>Piedmont Triad</b>	21	7/3	261	39
<b>Research Triangle</b>	12	15/3	394	64
<b>TOTAL</b>	<b>138</b>	<b>77/13</b>	<b>1,811</b>	<b>374</b>



# Program Evaluation's 2008 findings

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- Regionalism is the right approach to economic development, the legislature's Program Evaluation Division concluded
- PED's confidential survey of business prospects rated the regional partnerships the highest among all N.C. players
- The partnerships have strengthened their financial controls and implemented other PED recommendations
- Adequate funding is necessary to attract private donations and to enable long-range economic development planning
- Recurring funding is necessary for us to develop and sustain strong regional economic development programs, as well as recruiting and retaining high-performing professional staffs

# Funding plunged at the worst time

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- Despite the regional partnerships' diligent work and effectiveness, since 2008 our combined state funding has fallen far, from \$6.78 million to \$4.58 million
- That's a drop of **\$2.2M, or 32%**, while N.C. needs jobs
- Meanwhile, N.C.'s economic competition is fierce; competing states are *increasing* their efforts vs. N.C.
- We need stable, adequate, recurring state funding to attract additional private investment and to promote long-range economic development in all 100 counties, as your Program Evaluation Division has recommended

# Regions' funding request: \$7M R

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- Our request for FY 2013-2014 is \$7 million recurring so that we can do more to help boost N.C.'s economy
- When an NCGA committee recently asked an outside expert how N.C. should promote economic development, he answered: Invest heavily in research and marketing
- Research and marketing are what we do daily for N.C.
- A greater state investment in the regional partnerships would attract more non-state support – which would further strengthen N.C.'s economic-development efforts

# Regional partnership take-aways

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- Economies are regional by nature, and they vary uniquely
- Most N.C. counties rely on our marketing and research help
- We are business-led, job-focused, distinct, and effective
- ROI: For every dollar the state contributes to our success, non-state partners voluntarily contribute another \$2.37
- We market N.C. strategically around the U.S. and the world, helping to attract jobs and capital investment to our state
- Last year, we worked on 374 new projects and helped N.C. attract almost 30,000 jobs and \$6 billion in investment
- We're transparent and accountable to you & other investors

# QUESTIONS???

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